Shield AI — Frequently Asked Questions

Shield AI, an aerospace company, has leased space in the Des Moines Creek 2 light industrial park on the north side of 216th Street at 18th Ave S. The company expects to invest more than $300 million at the site and bring hundreds of jobs.

We have heard significant concern from residents since this was announced. The answers below are meant to be direct about what the City does and does not control, and where residents can be heard.

What is Shield AI, and what will the company do in Des Moines?

Shield AI is an aerospace company that designs and builds aircraft for military customers. The Des Moines site will house research and development work and produce X-BAT aircraft.

Aircraft built in Des Moines will be flight tested at Shield AI's facility in Newton, Kansas. No flight testing will happen here.

The company is not a data center.

Did Des Moines offer incentives to bring Shield AI here?

No, the City is not providing Shield AI with any incentives. No tax breaks, fee waivers, or financial assistance have been offered or provided.

What was the City's role establishing the lease with Shield AI?

None. The building is privately owned and is on property owned by the Port of Seattle. The building owner and Shield AI negotiated a lease directly with one another. The City is not a party to that lease, and a city does not approve or deny a lease negotiated by a private property owner.

Could the City have prevented a military aircraft manufacturer from locating in Des Moines?

No. The City does not have the authority to veto a lease between a private company and a private property owner if both parties comply with zoning and land use regulations. The City cannot prevent a legal business from locating in Des Moines based on what it produces.

Will aircraft be flying in and out of Des Moines?

No. Shield AI will not conduct flight testing in Des Moines. Flight testing and long-term maintenance for the X-BAT program will be at the company's facility in Newton, Kansas.

Shield AI will not increase aircraft noise from SEA Airport or affect SEA operations.

Why wasn't the public given an opportunity to comment about this business locating in Des Moines?

There was no City decision to comment on. The City does not review or approve private lease agreements, so there was no permit decision, public hearing, or Council vote on Shield AI's lease.

The public's role in deciding what uses are allowed on a given property comes earlier, when the City adopts zoning and land use rules. Those rules were already in place for this property.

Residents can address the City Council during public comment at any regular meeting.

How does Des Moines benefit?

High-paying jobs, close to home. The site is expected to support hundreds of jobs, with an average salary estimated at $150,000. Des Moines residents who work in aerospace today commute out of the city.

A stronger local economy. Employers located in Des Moines strengthen the whole local economy. Employees shop, eat, and spend time in our city, which supports other Des Moines businesses.

A more diversified tax base. Shield AI is a private company and will be subject to state, county, and local taxes, including business and occupation tax, square footage tax, and sales tax on taxable purchases. Building out the facility also generates construction sales tax. The company estimates its investment at the site at more than $300 million.

Stability through the market cycle. Military aerospace work follows a different cycle than commercial aerospace. Having both in the regional economy gives the local workforce some protection when commercial orders slow down.

Why did Shield AI choose Des Moines?

Shield AI evaluated several regions of the country and selected the Puget Sound region for the aerospace workforce that has evolved since Boeing was founded here 110 years ago.

Des Moines sits at the center of this industry, giving employers access to the region's established aerospace workforce. In addition, Des Moines has an available light-industrial facility under construction on Port-owned property that is large enough for Shield AI's operation.

Military aerospace is well established in our region. Washington has more than 132,000 aerospace-related jobs and over 1,350 aerospace firms. King County alone has more than

45,000 aerospace workers and more than 400 companies, including Boeing which employ roughly 7,200 people in its military aircraft division in the Kent Valley.

What kinds of aircraft will Shield AI make in Des Moines?

X-BAT, the aircraft to be built in Des Moines, is an uncrewed fighter aircraft still in development.

For questions about the aircraft and their capabilities, Shield AI is the accurate source. The City cannot characterize military systems or the federal contracts they are built under.

Will Shield AI increase traffic, noise and other impacts on the surrounding area?

The Des Moines Creek 2 light industrial park was built and zoned for industrial tenants and designed to handle the associated traffic.

Trip generation was estimated and mitigated as part of the building permit, and it will be reviewed again as part of Shield AI's tenant improvement permitting. The City will require additional mitigation for impacts that the second review identifies.

If production grows as the company expects, there will be future construction and permitting. Those steps will go through the same development review process.

Why did the City remove trees and build an industrial park?

The land is owned by the Port of Seattle, and Panattoni is the developer and owner of the buildings. The City's role was to review the project against its adopted zoning and land use codes, which the project was required to meet.